

Article - Public Utilities

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§22–115.

(a) The Commission may determine the amount of proceeds from the refunding bonds to deposit in a trust fund established in the name of the Commission with a trust company or other banking institution as trustee.

(b) (1) Money in the trust fund may be invested and reinvested in direct obligations of, or obligations the principal of which and the interest on which is guaranteed by, the United States.

(2) The Commission may provide for the use of money in the trust fund to pay all or part of the principal, interest, and redemption premium of the bonds being refunded and of the refunding bonds.

(3) The proceeds of the refunding bonds shall be invested and applied so that the principal, interest, and redemption premium on the bonds being refunded is paid in full on maturity, redemption, or interest payment dates.

(c) On or after the earliest redemption date, the Commission may call for redemption any bonds being refunded that are subject to redemption before the stated maturity dates.

(d) (1) The Commission may issue refunding bonds in one or more series.

(2) (i) The Commission shall determine the principal amount of each series required to achieve the purpose for the issuance of the refunding bonds.

(ii) The principal amount of the refunding bonds may be greater than the principal amount of bonds being refunded.

(e) In addition to or in lieu of any other money or security that the Commission may provide for the payment or security of the refunding bonds, the Commission may make all or part of the refunding bonds payable from money in and secured by the trust fund.

(f) (1) To retire and pay interest on refunding bonds issued under § 22–114 of this subtitle, each year the county councils of Montgomery County and Prince George’s County shall impose a tax on the assessable property within the sanitary district sufficient to pay:

(i) the interest on the bonds as it becomes due; and

(ii) the principal and redemption premium, if any, of the bonds at their maturity or redemption.

(2) If the series of refunding bonds is issued to refund stormwater management bonds, the county council of the respective county provided with the proceeds of the bonds being refunded shall impose the tax.

(3) The counties shall determine, impose, collect, and pay the tax to the Commission as provided under § 22–106 of this subtitle.

(4) The provisions of § 22–106 of this subtitle apply to the refunding bonds issued under § 22–114 of this subtitle.

(5) The Commission shall make adequate provision for extending to its rate payers the benefit of savings in debt service costs derived through the issuance of any refunding bonds issued under § 22–114 of this subtitle.

(g) Any provision of law requiring the setting and collecting of front foot benefit charges for the payment of the principal of and the interest on the outstanding bonds being refunded shall apply to the payment of the refunding bonds issued under § 22–114 of this subtitle to refund outstanding bonds.

(h) The powers granted under this section are not subject to the provisions of any other law in conflict with the powers.

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